IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

MONDAY, THE 4TH DECEMBER 2006 / 13TH AGRAHAYANA 1928

WP(C).No. 31501 of 2006(A)

PETITIONER:

C.S.VIJAYAN,
CHEMBAKATH HOUSE, KANDANASSERY P.O.,
GURUVAYOOR.

BY ADV. SRI.P.RAMAKRISHNAN

RESPONDENTS:

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1. STATE BANK OF INDIA, REPRESENTED BY
ITS ZONAL MANAGER, ZONAL OFFICE,
SHANMUGHAM ROAD, ERNAKULAM.

2. THE CHIEF MANAGER (CSC),
STATE BANK OF INDIA, REGIONAL BUSINESS OFFICE,
BHARATHAKSHEMAM BUILDING, ST. THOMAS COLLEGE
ROAD, THRISSUR-680 005.

BY ADV. SRI.K.K.CHANDRAN PILLAI

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 04/12/2006, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

C.N.RAMACHANDRAN NAIR, J.

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W.P.(C) No.31501 of 2006

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Dated this the 4th day of December, 2006.

JUDGMENT

Heard counsel for the petitioner and Standing Counsel for the first respondent-Bank. The loan availed is a housing loan repayable in instalments spread over a period of 15 years from 1998. The petitioner committed persistent default and therefore, instalment facility is recalled. The petitioner does not want to restore the original instalment facility granted by the Bank, but wants easy instalments to clear the entire balance arrears. Even though petitioner has committed default, over an amount of Rs.1 lakh is paid in the course of time and balance amount with accrued interest is around Rs.4 lakhs. In the circumstances, I feel petitioner can be granted easy instalments to clear the arrears. The W.P. is accordingly disposed of granting twenty equal monthly instalments to the petitioner to clear the balance arrears with future interest thereon at the same rate at which the loan was granted, first of which will be paid on or before 31.12.2006 and the balance on or before the last day of succeeding months. If petitioner commits default in payment of any instalment, the instalment facility will stand automatically vacated and respondents will proceed for recovery of entire arrears. Since the monthly instalment is around Rs.20,000/- and if it is difficult for the petitioner to clear the arrears in such huge instalments, it is for the petitioner to apply for OTS benefit and in that event, Bank should give eligible incentives for

full payment exclusive of incentives within a reasonable time to be granted by the Bank. Recovery proceedings should be kept in abeyance for payment either in instalments or under OTS scheme as stated above.

C.N.RAMACHANDRAN NAIR
Judge

pms